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ECONOMIC INTELLIGENCE COMMITTEE

Control No. 487909  
EIC-M-74 (Revised)  
11 September 1958

Minutes of Meeting Held in  
Room 1121, Temporary "M" Building  
26th and Constitution Avenue, Northwest

31 July 1958

PRESENT:

25X1A Dr. Otto E. Guthe, Chairman  
[redacted] Vice Chairman  
Mr. Bennett V. S. Davis, Department of the Navy  
Mr. John W. Easton, Joint Staff (of JCS) *State*  
Mr. J. Bruce Hamilton, Department of the Air Force  
\* *Mr. Finley W. Hamilton, Department of the Air Force*  
\* Mr. J. Duncan Holmes, Department of the Army *State*  
Dr. Wilhelm Anderson, Department of Agriculture  
Mr. Robert Finley, Office of Defense Mobilization  
Dr. Norris G. Kenny, Office of the Secretary of Defense  
Mrs. Wilhelmina L. Seccombe, International Cooperation Administration  
25X1A Mr. Robert Simpson, Department of Commerce  
Mr. George H. White, Department of Commerce  
25X1A \* [redacted] CIA  
25X1A [redacted] CIA  
25X1A [redacted] CIA  
25X1A [redacted] EIC/S  
[redacted] Executive Secretary  
25X1A

APPROVAL OF MINUTES:

1. The Minutes of the EIC meeting of 5 June (EIC-M-72) were approved. The Minutes of the 23 and 24 July EIC meeting (EIC-M-73) were approved, and the Chairman announced that the text of the EIC contribution to the IAC Annual Report on the Status of Foreign Intelligence Program would be issued separately as EIC-D-310/2.

ANNOUNCEMENTS BY THE CHAIRMAN:

2. The Chairman expressed his appreciation to the EIC members for their cooperation at the 23 and 24 July meeting in producing a coordinated statement for submission to the IAC.

\* Present during part of meeting.

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3. The Chairman announced that the Draft Seventh Annual Progress Report of the EIC had been distributed at the beginning of the meeting. He indicated that he hoped it would be possible to obtain concurrence on the draft by interim action and asked members to contact the Secretariat with their comments and concurrence by c.o.b. 11 August. He said that if a meeting were necessary to produce a coordinated report it would be called for 14 August.

4. The Chairman announced that Sino-Soviet Bloc Economic Activities in Underdeveloped Areas: 1 January - 30 June 1958 (EIC-R14-S5) is in draft form and is presently being reviewed by the full Working Group. The report is running close to schedule and it is hoped that a meeting can be held on Tuesday afternoon 12 August, to approve the final draft. It is anticipated that the draft will be delivered to the appropriate representatives by the close of business 8 August.

EIC EMERGENCY WAR PLANNING: 25X1A

5. Discussion: The Executive Secretary gave a brief account of his participation in the 1958 [REDACTED]. He indicated that the outcome of this experience pointed up the need for formal consideration by the EIC of plans for EIC reconstitution, interagency communication, and subsequent action in an emergency situation. Questions were invited and discussion followed.

6. Action: The Chairman recommended and the members approved the establishment of an EIC Ad Hoc Working Group on War Planning. The EIC charged the Working Group with examining the impact of war on the organization and functions of the EIC, examining problems that may arise at [REDACTED] and recommending procedures to meet these problems. The Working Group will refer to the basic recommendations of the IAC as set forth in IAC-D-96/2, 5 April 1956. The Executive Secretary was asked to chair the Working Group and to arrange for membership from State, the military services, OCDM, and CIA/RR.

EIC-S-30, "SURVEY OF PROFESSIONAL PERSONNEL ENGAGED IN ECONOMIC INTELLIGENCE AND RELATED ECONOMIC RESEARCH ON SINO-SOVIET BLOC AND NON-BLOC AREAS" (EIC-D-308)

7. Discussion: The Chairman summarized the background relating to the production of EIC-S-30, and there was discussion of some of the specific figures reported in the Survey. Army's external research contract figures, as reported in the Free World tables, were discussed with particular reference to the fact that to date Army had not asked for EIC review of any external research contract. The Army representative stated that he did not know what these contract figures represented

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REVIEW OF ACTIVITIES OF SUBCOMMITTEE ON CHEMICALS:  
(EIC-D-313)

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13. Discussion: The Executive Secretary of the Subcommittee on Chemicals, [REDACTED] commented on the activities of that Subcommittee. He indicated that the SC has performed several useful functions during 1958, particularly with regard to consideration of proposals for exchange of delegations and the review of external research projects. Despite the divergence of interests on the part of the agencies represented, he felt that considerable success has been achieved in stimulating interest in the work of the Subcommittee, and that it is now and will continue to serve in a useful capacity.

14. Action: The Subcommittee Secretariat was commended for the manner in which it has met the challenge of reviving the SC. The Subcommittee was asked to review its Terms of Reference and to continue to review its priority research and collection deficiencies as appropriate.

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[REDACTED]

Executive Secretary

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